

**Pt. 625**

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lease clean diesel vehicles are not required to report information beyond FTA grant reporting requirements for capital projects.

[67 FR 40104, June 11, 2002, as amended at 72 FR 15053, Mar. 30, 2007]

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**Subpart A—General Provisions**

**§ 625.1 Purpose.**

This part carries out the mandate of 49 U.S.C. 5326 for transit asset management. This part establishes a National Transit Asset Management (TAM) System to monitor and manage public transportation capital assets to enhance safety, reduce maintenance costs, increase reliability, and improve performance.

**§ 625.3 Applicability.**

This part applies to all recipients and subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used for providing public transportation.

**§ 625.5 Definitions.**

All terms defined in 49 U.S.C. Chapter 53 are incorporated into this part by reference. The following terms also apply to this part:

*Accountable Executive* means a single, identifiable person who has ultimate responsibility for carrying out the safety management system of a public transportation agency; responsibility for carrying out transit asset management practices; and control or direction over the human and capital resources needed to develop and maintain both the agency's public transportation agency safety plan, in accordance with 49 U.S.C. 5329(d), and the agency's transit asset management plan in accordance with 49 U.S.C. 5326.

*Asset category* means a grouping of asset classes, including a grouping of equipment, a grouping of rolling stock, a grouping of infrastructure, and a grouping of facilities. See Appendix A to this part.

*Asset class* means a subgroup of capital assets within an asset category. For example, buses, trolleys, and cut-away vans are all asset classes within the rolling stock asset category. See Appendix A to this part.

*Asset inventory* means a register of capital assets, and information about those assets.

*Capital asset* means a unit of rolling stock, a facility, a unit of equipment, or an element of infrastructure used for providing public transportation.

*Decision support tool* means an analytic process or methodology:

(1) To help prioritize projects to improve and maintain the state of good repair of capital assets within a public transportation system, based on available condition data and objective criteria; or

(2) To assess financial needs for asset investments over time.

*Direct recipient* means an entity that receives Federal financial assistance directly from the Federal Transit Administration.

*Equipment* means an article of non-expendable, tangible property having a useful life of at least one year.

*Exclusive-use maintenance facility* means a maintenance facility that is not commercial and either owned by a transit provider or used for servicing their vehicles.

*Facility* means a building or structure that is used in providing public transportation.

*Full level of performance* means the objective standard established by FTA for determining whether a capital asset is in a state of good repair.

*Group TAM plan* means a single TAM plan that is developed by a sponsor on behalf of at least one tier II provider.

*Horizon period* means the fixed period of time within which a transit provider will evaluate the performance of its TAM plan.

*Implementation strategy* means a transit provider's approach to carrying out TAM practices, including establishing a schedule, accountabilities, tasks, dependencies, and roles and responsibilities.

*Infrastructure* means the underlying framework or structures that support a public transportation system.

*Investment prioritization* means a transit provider's ranking of capital projects or programs to achieve or maintain a state of good repair. An investment prioritization is based on financial resources from all sources that a transit provider reasonably anticipates will be available over the TAM plan horizon period.

*Key asset management activities* means a list of activities that a transit provider determines are critical to achieving its TAM goals.

*Life-cycle cost* means the cost of managing an asset over its whole life.

*Participant* means a tier II provider that participates in a group TAM plan.

*Performance Measure* means an expression based on a quantifiable indicator of performance or condition that is used to establish targets and to assess progress toward meeting the established targets (e.g., a measure for on-time performance is the percent of trains that arrive on time, and a corresponding quantifiable indicator of performance or condition is an arithmetic difference between scheduled and actual arrival time for each train).

*Performance target* means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the Federal Transit Administration (FTA).

*Public transportation system* means the entirety of a transit provider's operations, including the services provided through contractors.

*Public transportation agency safety plan* means a transit provider's documented comprehensive agency safety plan that is required by 49 U.S.C. 5329.

*Recipient* means an entity that receives Federal financial assistance under 49 U.S.C. Chapter 53, either directly from FTA or as a subrecipient.

*Rolling stock* means a revenue vehicle used in providing public transportation, including vehicles used for carrying passengers on fare-free services.

*Service vehicle* means a unit of equipment that is used primarily either to support maintenance and repair work for a public transportation system or for delivery of materials, equipment, or tools.

*Sponsor* means a State, a designated recipient, or a direct recipient that develops a group TAM for at least one tier II provider.

*State of good repair (SGR)* means the condition in which a capital asset is able to operate at a full level of performance.

*Subrecipient* means an entity that receives Federal transit grant funds indirectly through a State or a direct recipient.

*TERM scale* means the five (5) category rating system used in the Federal Transit Administration's Transit Economic Requirements Model (TERM) to describe the condition of an asset: 5.0—Excellent, 4.0—Good; 3.0—Adequate, 2.0—Marginal, and 1.0—Poor.

*Tier I provider* means a recipient that owns, operates, or manages either (1) one hundred and one (101) or more vehicles in revenue service during peak regular service across all fixed route modes or in any one non-fixed route mode, or (2) rail transit.

*Tier II provider* means a recipient that owns, operates, or manages (1) one hundred (100) or fewer vehicles in revenue service during peak regular service across all non-rail fixed route modes or in any one non-fixed route mode, (2) a subrecipient under the 5311 Rural Area Formula Program, (3) or any American Indian tribe.

*Transit asset management (TAM)* means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation.

*Transit asset management (TAM) plan* means a plan that includes an inventory of capital assets, a condition assessment of inventoried assets, a decision support tool, and a prioritization of investments.

*Transit asset management (TAM) policy* means a transit provider's documented commitment to achieving and maintaining a state of good repair for all of its capital assets. The TAM policy defines the transit provider's TAM objectives and defines and assigns roles and responsibilities for meeting those objectives.

*Transit asset management (TAM) strategy* means the approach a transit provider takes to carry out its policy for TAM, including its objectives and performance targets.

*Transit asset management system* means a strategic and systematic process of operating, maintaining, and im-

proving public transportation capital assets effectively, throughout the life cycles of those assets.

*Transit provider (provider)* means a recipient or subrecipient of Federal financial assistance under 49 U.S.C. chapter 53 that owns, operates, or manages capital assets used in providing public transportation.

*Useful life* means either the expected life cycle of a capital asset or the acceptable period of use in service determined by FTA.

*Useful life benchmark (ULB)* means the expected life cycle or the acceptable period of use in service for a capital asset, as determined by a transit provider, or the default benchmark provided by FTA.

## Subpart B—National Transit Asset Management System

### § 625.15 Elements of the National Transit Asset Management System.

The National TAM System includes the following elements:

(a) The definition of *state of good repair*, which includes objective standards for measuring the condition of capital assets, in accordance with subpart D of this part;

(b) Performance measures for capital assets and a requirement that a provider and a group TAM plan sponsor establish performance targets for improving the condition of capital assets, in accordance with subpart D of this part;

(c) A requirement that a provider develop and carry out a TAM plan, in accordance with subpart C of this part,

(d) Reporting requirements in accordance with subpart E of this part; and

(e) Analytical processes and decision support tools developed or recommended by FTA.

### § 625.17 State of good repair principles.

(a) A capital asset is in a state of good repair if it is in a condition sufficient for the asset to operate at a full level of performance. In determining whether a capital asset is in a state of good repair, a provider must consider the state of good repair standards under subpart D of this part.

(b) An individual capital asset may operate at a full level of performance regardless of whether or not other capital assets within a public transportation system are in a state of good repair.

(c) A provider's Accountable Executive must balance transit asset management, safety, day-to-day operations, and expansion needs in approving and carrying out a TAM plan and a public transportation agency safety plan.

### Subpart C—Transit Asset Management Plans

#### § 625.25 Transit Asset Management Plan requirements.

(a) *General.* (1) Each tier I provider must develop and carry out a TAM plan that includes each element under paragraph (b) of this section.

(2) Each tier II provider must develop its own TAM plan or participate in a group TAM plan. A tier II provider's TAM plan and a group TAM plan only must include elements under paragraphs (b)(1) through (4) of this section.

(3) A provider's Accountable Executive is ultimately responsible for ensuring that a TAM plan is developed and carried out in accordance with this part.

(b) *Transit asset management plan elements.* Except as provided in paragraph (a)(3) of this section, a TAM plan must include the following elements:

(1) An inventory of the number and type of capital assets. The inventory must include all capital assets that a provider owns, except equipment with an acquisition value under \$50,000 that is not a service vehicle. An inventory also must include third-party owned or jointly procured exclusive-use maintenance facilities, passenger station facilities, administrative facilities, rolling stock, and guideway infrastructure used by a provider in the provision of public transportation. The asset inventory must be organized at a level of detail commensurate with the level of detail in the provider's program of capital projects;

(2) A condition assessment of those inventoried assets for which a provider has direct capital responsibility. A condition assessment must generate infor-

mation in a level of detail sufficient to monitor and predict the performance of the assets and to inform the investment prioritization;

(3) A description of analytical processes or decision-support tools that a provider uses to estimate capital investment needs over time and develop its investment prioritization;

(4) A provider's project-based prioritization of investments, developed in accordance with § 625.33 of this part;

(5) A provider's TAM and SGR policy;

(6) A provider's TAM plan implementation strategy;

(7) A description of key TAM activities that a provider intends to engage in over the TAM plan horizon period;

(8) A summary or list of the resources, including personnel, that a provider needs to develop and carry out the TAM plan; and

(9) An outline of how a provider will monitor, update, and evaluate, as needed, its TAM plan and related business practices, to ensure the continuous improvement of its TAM practices.

#### § 625.27 Group plans for transit asset management.

(a) *Responsibilities of a group TAM plan sponsor.* (1) A sponsor must develop a group TAM plan for its tier II provider subrecipients, except those subrecipients that are also direct recipients under the 49 U.S.C. 5307 Urbanized Area Formula Grant Program. The group TAM plan must include a list of those subrecipients that are participating in the plan.

(2) A sponsor must comply with the requirements of this part for a TAM plan when developing a group TAM plan.

(3) A sponsor must coordinate the development of a group TAM plan with each participant's Accountable Executive.

(4) A sponsor must make the completed group TAM plan available to all participants in a format that is easily accessible.

(b) *Responsibilities of a group TAM plan participant.* (1) A tier II provider may participate in only one group TAM plan.

(2) A tier II provider must provide written notification to a sponsor if it

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chooses to opt-out of a group TAM plan. A provider that opts-out of a group TAM plan must either develop its own TAM plan or participate in another sponsor's group TAM plan.

(3) A participant must provide a sponsor with any information that is necessary and relevant to the development of a group TAM plan.

### **§ 625.29 Transit asset management plan: horizon period, amendments, and updates.**

(a) *Horizon period.* A TAM plan must cover a horizon period of at least four (4) years.

(b) *Amendments.* A provider may update its TAM plan at any time during the TAM plan horizon period. A provider should amend its TAM plan whenever there is a significant change to the asset inventory, condition assessments, or investment prioritization that the provider did not reasonably anticipate during the development of the TAM plan.

(c) *Updates.* A provider must update its entire TAM plan at least once every four (4) years. A provider's TAM plan update should coincide with the planning cycle for the relevant Transportation Improvement Program or Statewide Transportation Improvement Program.

### **§ 625.31 Implementation deadline.**

(a) A provider's initial TAM plan must be completed no later than two years after October 1, 2016.

(b) A provider may submit in writing to FTA a request to extend the implementation deadline. FTA must receive an extension request before the implementation deadline and will consider all requests on a case-by-case basis.

### **§ 625.33 Investment prioritization.**

(a) A TAM plan must include an investment prioritization that identifies a provider's programs and projects to improve or manage over the TAM plan horizon period the state of good repair of capital assets for which the provider has direct capital responsibility.

(b) A provider must rank projects to improve or manage the state of good repair of capital assets in order of priority and anticipated project year.

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(c) A provider's project rankings must be consistent with its TAM policy and strategies.

(d) When developing an investment prioritization, a provider must give due consideration to those state of good repair projects to improve that pose an identified unacceptable safety risk when developing its investment prioritization.

(e) When developing an investment prioritization, a provider must take into consideration its estimation of funding levels from all available sources that it reasonably expects will be available in each fiscal year during the TAM plan horizon period.

(f) When developing its investment prioritization, a provider must take into consideration requirements under 49 CFR 37.161 and 37.163 concerning maintenance of accessible features and the requirements under 49 CFR 37.43 concerning alteration of transportation facilities.

## **Subpart D—Performance Management**

### **§ 625.41 Standards for measuring the condition of capital assets.**

A capital asset is in a state of good repair if it meets the following objective standards—

(a) The capital asset is able to perform its designed function;

(b) The use of the asset in its current condition does not pose an identified unacceptable safety risk; and

(c) The life-cycle investment needs of the asset have been met or recovered, including all scheduled maintenance, rehabilitation, and replacements.

### **§ 625.43 SGR performance measures for capital assets.**

(a) *Equipment: (non-revenue) service vehicles.* The performance measure for non-revenue, support-service and maintenance vehicles equipment is the percentage of those vehicles that have either met or exceeded their ULB.

(b) *Rolling stock.* The performance measure for rolling stock is the percentage of revenue vehicles within a particular asset class that have either met or exceeded their ULB.

(c) *Infrastructure: rail fixed-guideway, track, signals, and systems.* The performance measure for rail fixed-guideway, track, signals, and systems is the percentage of track segments with performance restrictions.

(d) *Facilities.* The performance measure for facilities is the percentage of facilities within an asset class, rated below condition 3 on the TERM scale.

**§ 625.45 Setting performance targets for capital assets.**

(a) *General.* (1) A provider must set one or more performance targets for each applicable performance measure.

(2) A provider must set a performance target based on realistic expectations, and both the most recent data available and the financial resources from all sources that the provider reasonably expects will be available during the TAM plan horizon period.

(b) *Timeline for target setting.* (1) Within three months after the effective date of this part, a provider must set performance targets for the following fiscal year for each asset class included in its TAM plan.

(2) At least once every fiscal year after initial targets are set, a provider must set performance targets for the following fiscal year.

(c) *Role of the accountable executive.* A provider's Accountable Executive must approve each annual performance target.

(d) *Setting performance targets for group plan participants.* (1) A Sponsor must set one or more unified performance targets for each asset class reflected in the group TAM plan in accordance with paragraphs (a)(2) and (b) of this section.

(2) To the extent practicable, a Sponsor must coordinate its unified performance targets with each participant's Accountable Executive.

(e) *Coordination with metropolitan, statewide and non-metropolitan planning processes.* To the maximum extent practicable, a provider and Sponsor must coordinate with States and Metropolitan Planning Organizations in the se-

lection of State and Metropolitan Planning Organization performance targets.

**Subpart E—Recordkeeping and Reporting Requirements for Transit Asset Management**

**§ 625.53 Recordkeeping for transit asset management.**

(a) At all times, each provider must maintain records and documents that support, and set forth in full, its TAM plan.

(b) A provider must make its TAM plan, any supporting records or documents performance targets, investment strategies, and the annual condition assessment report available to a State and Metropolitan Planning Organization that provides funding to the provider to aid in the planning process.

**§ 625.55 Annual reporting for transit asset management.**

(a) Each provider must submit the following reports:

(1) An annual data report to FTA's National Transit Database that reflects the SGR performance targets for the following year and condition information for the provider's public transportation system.

(2) An annual narrative report to the National Transit Database that provides a description of any change in the condition of the provider's transit system from the previous year and describes the progress made during the year to meet the performance targets set in the previous reporting year.

(b) A Sponsor must submit one consolidated annual data report and one consolidated annual narrative report, as described in paragraph (a)(1) and (2) of this section, to the National Transit Database on behalf of its participants.

**APPENDIX A TO PART 625—ASSET CATEGORIES, ASSET CLASSES, AND INDIVIDUAL ASSETS**

*EXAMPLE* of asset categories, asset classes, and individual assets:

ASSET CATEGORY	ASSET CLASS		INDIVIDUAL ASSET
	Equipment	Construction	Crane Prime Mover
		Maintenance	Vehicle Lift Track Geometry Car
		Non-revenue Service Vehicles	Tow Truck Emergency Response Vehicle Supervisor Car Track Maintenance Vehicle
	Rolling Stock	Buses	40 Foot Bus 60 Foot Articulated Bus
		Other Passenger Vehicles	Cutaway Van Minivan
		Railcars	Light Rail Vehicle Commuter Rail Locomotive
		Ferries	Ferry Boat
	Infrastructure	Systems	Signal Substation
		Fixed Guideway	Track Segment Ballast Segment Exclusive Bus Right-of-Way Segment
		Power	Catenary Segment Third Rail Segment
		Structures	Bridge Tunnel Elevated Structure
	Facilities	Support Facilities	Maintenance Facilities Administrative Facilities
		Passenger Facilities	Rail Terminals Bus Transfer Stations
		Parking Facilities	Parking Garages Park-and-Ride Lots

**APPENDIX B TO PART 625—RELATIONSHIP  
AMONGST SGR PERFORMANCE MEAS-  
URES, SGR DEFINITION, AND SGR  
PRINCIPLES**

*EXAMPLE* Relationship amongst SGR per-  
formance measures, SGR definition, and  
SGR principles:

(a) A tier I provider has a TAM asset in-  
ventory containing, in total across all  
modes, over 150 revenue vehicles in peak rev-  
enue service, no rail fixed guideway, mul-  
tiple passenger and exclusive use mainte-  
nance facilities, and various pieces of equip-

ment over \$50,000. Their asset inventory is  
itemized at the level of detail they use in  
their capital program of projects; it also in-  
cludes capital assets they do not own but  
use. The provider conducts condition assess-  
ments on those assets in its inventory for  
which it has direct financial responsibility.  
The results of the condition assessment indi-  
cate that there is an identified unacceptable  
safety risk in the deteriorated condition of  
one of their non-revenue service vehicles,  
but that the non-revenue service vehicles are

being used as designed. The condition assessment results show the provider that one non-revenue service vehicle is not in SGR.

(b) The condition assessment results also inform the investment prioritization process, which for this provider is a regression analysis in a spreadsheet software program. The provider's criteria, as well as their weightings, are locally determined to produce the ranked list of programs and projects in their investment prioritization. The provider batches its projects by low, medium or high priority, identifying in which funding year each project will proceed. The provider has elected to use the ULB defaults, provided by FTA, for each of their modes until such time as they have resources and expertise to develop customized ULBs.

(c) The provider separates assets within each asset category by class to determine their current performance measure metric. For example, the equipment listed in its TAM asset inventory includes HVAC equipment and service vehicles; however, the SGR performance metric for the equipment category only requires the non-revenue vehicle metrics. Thus, the provider measures only non-revenue vehicles that exceed the default ULB for the modes they own, operate, or manage. This metric is the baseline the provider uses to determine its target for the forthcoming year.

(d) The provider's equipment baseline, its investment priorities that show minimal

funding for non-revenue vehicles over the next 4 years, and its TAM policies, strategies and key asset management activities are used to project its target for the equipment category. Since one of its non-revenue service vehicles indicated an unacceptable safety risk, it is elevated in the investment prioritization for maintenance or replacement. The provider's target may indicate a decline in the condition of their equipment overall, but it addresses the unacceptable safety risk as an immediate priority.

(e) The cyclic nature of investment prioritization and SGR performance target setting requires the provider to go through the process more than once to settle on the balance of priorities and targets that best reflects its local needs and funding availability from all sources. The provider's accountable executive has ultimate responsibility for accepting and approving the TAM plan and SGR targets. The targets are then submit to the NTD and shared with the provider's planning organization. The narrative report, which describes the SGR performance measure metrics, is also submitted to the NTD.

#### APPENDIX C TO PART 625—ASSETS INCLUDED IN NATIONAL TAM SYSTEM PROVISIONS

Table 1—Assets Included in National TAM System Provisions



MAP-21 Asset Category	TAM Plan Element		SGR Performance Measure 625.43 (a) – (d)
	Asset inventory 625.15 (c)(1)	Condition assessment 625.15 (c)(2)	
Equipment	All non-revenue service vehicles and equipment over \$50,000 used in the provision of public transit, except third-party equipment assets.	Only inventoried equipment with direct capital responsibility, no third party assets	Only non-revenue service vehicles with direct capital responsibility.
Rolling Stock	All revenue vehicles used in the provision of public transit	Only revenue vehicles with direct capital responsibility	Only revenue vehicles with direct capital responsibility, by mode
Infrastructure	All guideway infrastructure used in the provision of public transit	Only guideway infrastructure with direct capital responsibility	Only fixed rail guideway with direct capital responsibility
Facilities	All passenger stations and all exclusive-use maintenance facilities used in the provision of public transit, excluding bus shelters	Only passenger stations and exclusive-use maintenance facilities with direct capital responsibility, excluding bus shelters	1- Maintenance and Administrative facilities with direct capital responsibility, 2- Passenger stations (buildings) and Parking facilities with direct capital responsibility

Table 2—*EXAMPLE* of Multiple SGR Performance Targets for a Sample Fleet

MAP-21 Asset Category	Asset Class	Performance Targets
Equipment	one non-revenue service vehicle type (automobile)	<b>Total 1- Equipment Performance Target:</b> 1- supervisor car
Rolling Stock	3 vehicle types (cutaway, van, 30 ft. bus)	<b>Total 3- Rolling Stock Performance Targets:</b> 1- cutaway, 2- van, 3- 30 ft. bus
Infrastructure	no track	<b>Total 0 - Infrastructure Performance Targets:</b>
Facilities	2 exclusive-use maintenance garages, 1 administrative office, and 3 passenger stations	<b>Total - 2 Facilities Performance Target:</b> 1- maintenance and administrative facilities 2- passenger and parking facilities